



**STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
STATE CAPITOL
NASHVILLE, TENNESSEE 37243-0285**

LARRY B. MARTIN
COMMISSIONER

FOR IMMEDIATE RELEASE
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OCTOBER REVENUES

NASHVILLE – Tennessee revenue collections for October fell below the previous year, and below the budgeted estimate. Finance and Administration Commissioner Larry Martin reported today that collections for October were \$827.1 million, which is 1.16% below October 2012.

“We are very disappointed with the negative growth rates reported in corporate tax collections for October and the preceding two months,” Martin said. “However, the sales tax is our best economic indicator, and it reflects modest growth for the month and first quarter of 2013-2014.

“The national and state leading economic indicators continue to indicate a very slow recovery is in progress, and it calls on us to continue to be diligent in monitoring our spending and revenue patterns for the remainder of this year. We are committed to keeping Tennessee’s budget balanced”.

On an accrual basis, October is the third month in the 2013-2014 fiscal year.

October collections were \$17.8 million less than the budgeted estimate. The general fund was under collected by \$13.7 million and the four other funds were under collected by \$4.1 million.

Sales tax collections were \$8.3 million less than the estimate for October. The October growth rate was 2.91%. The year-to-date growth rate was positive 3.38%.

Franchise and excise combined collections for October were \$43.2 million and \$6.7 million below the budgeted estimate of \$49.9 million.

Gasoline and motor fuel collections decreased by 10.83% and they were \$4.6 million below the budgeted estimate of \$72.5 million.

Tobacco tax collections for the month were under collected by \$190,000.

Privilege tax collections were \$341,000 below than the budgeted estimate of \$24.8 million.

Inheritance and Estate taxes were over collected by \$4.6 million for the month.

Business tax collections were \$1.8 million below the October estimate.

All other taxes were under collected by a net of \$0.5 million.

Year-to-date collections for three months were \$101.2 million less than the budgeted estimate. The general fund was under collected by \$96.6 million and the four other funds were under collected by \$4.6 million.

The budgeted revenue estimates for 2013-2014 are based on the State Funding Board’s consensus recommendation of December 19th, 2012 and adopted by the first session of the 108th General Assembly in April 2013. They are available on the state’s website at <http://www.tn.gov/finance/bud/Revenues.shtml>.

Table 1
Revenue Collections by Fund
October
2013-2014

Fund	2013				2012	2013	
	Actual	Budgeted	B/(W)	Percent		B/(W)	Percent
General Fund	\$669,143,000	\$682,803,000	(\$13,660,000)	-2.00%	\$670,271,000	(\$1,128,000)	-0.17%
Highway Fund	55,851,000	57,303,000	(1,452,000)	-2.53%	62,031,000	(6,180,000)	-9.96%
Sinking Fund	34,229,000	34,291,000	(62,000)	-0.18%	33,405,000	824,000	2.47%
City & County Fund	64,928,000	67,576,000	(2,648,000)	-3.92%	68,135,000	(3,207,000)	-4.71%
Earmarked Fund	2,900,000	2,900,000	0	0.00%	2,899,000	1,000	0.03%
Total	\$827,051,000	\$844,873,000	(\$17,822,000)	-2.11%	\$836,741,000	(\$9,690,000)	-1.16%

Revenue Collections by Tax
October
2013-2014

Tax Source	2013				2012	2013	
	Actual	Budgeted	B/(W)	Percent		B/(W)	Percent
Franchise & Excise	\$43,228,000	\$49,900,000	(\$6,672,000)	-13.37%	\$65,139,000	(\$21,911,000)	-33.64%
Income	2,751,000	2,891,000	(140,000)	-4.84%	4,120,000	(1,369,000)	-33.23%
Inheritance & Estate	11,114,000	6,494,000	4,620,000	71.14%	8,916,000	2,198,000	24.65%
Gasoline	47,599,000	51,146,000	(3,547,000)	-6.94%	52,045,000	(4,446,000)	-8.54%
Petroleum Special	4,974,000	5,299,000	(325,000)	-6.13%	5,256,000	(282,000)	-5.37%
Tobacco	23,158,000	23,348,000	(190,000)	-0.81%	22,842,000	316,000	1.38%
Beer	1,416,000	1,579,000	(163,000)	-10.32%	1,556,000	(140,000)	-9.00%
Motor Vehicle Registration	19,983,000	18,962,000	1,021,000	5.38%	19,142,000	841,000	4.39%
Motor Vehicle Title	1,045,000	1,046,000	(1,000)	-0.10%	946,000	99,000	10.47%
Mixed Drink	5,946,000	5,620,000	326,000	5.80%	5,516,000	430,000	7.80%
Business	2,814,000	4,636,000	(1,822,000)	-39.30%	5,504,000	(2,690,000)	-48.87%
Privilege	24,476,000	24,817,000	(341,000)	-1.37%	20,052,000	4,424,000	22.06%
Gross Receipts	(103,000)	199,000	(302,000)	-151.76%	236,000	(339,000)	-143.64%
TVA - In Lieu of Tax Payments	27,076,000	28,410,000	(1,334,000)	-4.70%	27,297,000	(221,000)	-0.81%
Alcoholic Beverage	3,899,000	3,828,000	71,000	1.85%	3,726,000	173,000	4.64%
Sales and Use	592,089,000	600,400,000	(8,311,000)	-1.38%	575,341,000	16,748,000	2.91%
Motor Vehicle Fuel	15,340,000	16,060,000	(720,000)	-4.48%	18,858,000	(3,518,000)	-18.66%
Severance	237,000	220,000	17,000	7.73%	223,000	14,000	6.28%
Coin-operated Amusement	9,000	16,000	(7,000)	-43.75%	26,000	(17,000)	-65.38%
Unauthorized Substance	0	0	0	NA	0	0	NA
Total	\$827,051,000	\$844,871,000	(\$17,820,000)	-2.11%	\$836,741,000	(\$9,690,000)	-1.16%

Table 2
Revenue Collections by Fund
Year-to-Date
August - October
2013-2014

Fund	2013 - 2014				2012-2013	2013-2014	
	Actual	Budgeted	B/(W)	Percent	Actual	B/(W)	Percent
General Fund	\$2,258,492,000	\$2,355,042,000	(\$96,550,000)	-4.10%	\$2,248,763,000	\$9,729,000	0.43%
Highway Fund	169,002,000	170,862,000	(1,860,000)	-1.09%	169,620,000	(618,000)	-0.36%
Sinking Fund	102,673,000	102,832,000	(159,000)	-0.15%	100,180,000	2,493,000	2.49%
City & County Fund	199,111,000	201,698,000	(2,587,000)	-1.28%	202,389,000	(3,278,000)	-1.62%
Earmarked Fund	8,701,000	8,699,000	2,000	0.02%	8,700,000	1,000	0.01%
Total	\$2,737,979,000	\$2,839,133,000	(\$101,154,000)	-3.56%	\$2,729,652,000	\$8,327,000	0.31%

Revenue Collections by Tax
Year-to-Date
August - October
2013-2014

Tax Source	2013 - 2014				2012-2013	2013-2014	
	Actual	Budgeted	B/(W)	Percent	Actual	B/(W)	Percent
Franchise & Excise	\$351,968,000	\$439,400,000	(\$87,432,000)	-19.90%	\$409,727,000	(\$57,759,000)	-14.10%
Income	5,434,000	5,197,000	237,000	4.56%	6,985,000	(1,551,000)	-22.20%
Inheritance & Estate	31,931,000	21,372,000	10,559,000	49.41%	28,469,000	3,462,000	12.16%
Gasoline	150,765,000	157,460,000	(6,695,000)	-4.25%	156,014,000	(5,249,000)	-3.36%
Petroleum Special	15,595,000	16,285,000	(690,000)	-4.24%	16,031,000	(436,000)	-2.72%
Tobacco	68,062,000	70,449,000	(2,387,000)	-3.39%	70,338,000	(2,276,000)	-3.24%
Beer	4,614,000	4,641,000	(27,000)	-0.58%	4,703,000	(89,000)	-1.89%
Motor Vehicle Registration	61,862,000	60,069,000	1,793,000	2.98%	58,879,000	2,983,000	5.07%
Motor Vehicle Title	3,166,000	3,257,000	(91,000)	-2.79%	2,869,000	297,000	10.35%
Mixed Drink	17,712,000	17,035,000	677,000	3.97%	16,473,000	1,239,000	7.52%
Business	31,425,000	32,662,000	(1,237,000)	-3.79%	32,253,000	(828,000)	-2.57%
Privilege	68,411,000	64,827,000	3,584,000	5.53%	56,556,000	11,855,000	20.96%
Gross Receipts	11,929,000	14,519,000	(2,590,000)	-17.84%	11,631,000	298,000	2.56%
TVA - In Lieu of Tax Payments	88,424,000	87,007,000	1,417,000	1.63%	91,709,000	(3,285,000)	-3.58%
Alcoholic Beverage	12,561,000	12,033,000	528,000	4.39%	11,892,000	669,000	5.63%
Sales and Use	1,772,849,000	1,792,200,000	(19,351,000)	-1.08%	1,714,815,000	58,034,000	3.38%
Motor Vehicle Fuel	40,485,000	40,014,000	471,000	1.18%	39,685,000	800,000	2.02%
Severance	697,000	651,000	46,000	7.07%	569,000	128,000	22.50%
Coin-operated Amusement	89,000	57,000	32,000	56.14%	54,000	35,000	64.81%
Unauthorized Substance	0	0	0	NA	0	0	NA
Total	\$2,737,979,000	\$2,839,135,000	(\$101,156,000)	-3.56%	\$2,729,652,000	\$8,327,000	0.31%